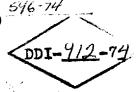
SECRET



26 March 1974

MEMORANDUM FOR: Deputy Director for Intelligence

SUBJECT : FEO Access to Classified Material

- 1. FEO is continuing to press for release of CIA classified documents. In discussions I have had with FEO three possible actions have been identified:
 - a. William Simon, as head of FEO, could take' the actions necessary to establish a security system for FEO which would make it possible for FEO to assume responsibility, under existing executive directives, for safeguarding classified information.
 - b. There is an existing arrangement by which Treasury makes available to FEO classified material for use by FEO personnel assigned to FEO by other agencies. These individuals have carried clearances with them from parent organizations.
 - c. We have explored with the International Division of FEO a limited arrangement by which CIA would deliver directly to that office material classified SECRET or lower that is of recognized interest to FEO. Access would be limited to FEO personnel having active clearances from other agencies and the physical security arrangements would be subject to prior inspection and approval by CIA security officers.
- 2. After discussing all three, John Knubel told me that (a) is in process and (b) offers an adequate interim arrangement. I said that I would take no action to explore (c) unless he reopened the issue. In the meantime, FEO would rely on Treasury for access to CIA materials under solution (b).
- 3. FEO is now pressing for regular access to the documents that deal with international energy developments. In part these requests are made directly to OER; in other cases they come to the NIO/Energy office.

25X1

4. I propose that, until another solution is at hand, all classified CIA material for FEO continue to be delivered to Treasury and that we rely on Treasury to discharge its responsibilities for safeguarding this information.

| handled in any manner that will | ews on how the matter might be meet FEO's requirements while otection of CIA material. I note | 25X1 |
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| | James H. Critchfield NIO/Energy | |

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